

House Capital Investments Committee
Attn: Chair Fue Lee and Committee Members
485 State Office Building
100 Rev Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155



February 16, 2020

Dear Chair Lee and Committee Members,

The Metropolitan Consortium of Community Developers (MCCD) is an association of 50 nonprofit organizations committed to expanding the wealth and resources of communities through housing opportunities and economic development initiatives. MCCD's mission to build strong and stable communities can only be achieved by addressing the inequities that have shaped housing and economic development policies at every level of government and that has prevented Black, Indigenous and People of Color (BIPOC) and other communities from achieving housing stability, accessing capital and wealth building opportunities.

I am writing today in support of H.F. 728 and request that the legislature find a way to support this crucial funding to help start community rebuilding efforts in Minneapolis and St. Paul related to the unrest last summer. Organizations like MCCD and our community economic development and wealth building members have been working directly with small businesses and non-profits most impacted by unrest. We can say without a doubt that funding is urgently needed to help small business and to persevere these important culturally significant economic corridors.

In conversations with our members, small business owners and partners these funds will help in a couple of key ways:

1. **Site Control & Acquisition** - Preventing speculation, displacement and gentrification must be a priority for the legislature. The communities along Lake Street, West Broadway and University Avenue have served as vibrant corridors for our BIPOC communities in Minnesota. We must preserve the investments made in BIPOC business ownership and make way for new business and community ownership opportunities.

Without the ability to support property acquisition, these communities are at risk of losing local ownership and control as speculative investors converge (something we've been seeing and hearing about since last summer). Additionally, we are aware of multiple community-led efforts ready to move forward with property acquisition strategies as soon as funding is made available, these organizations are grounded in wealth creation for BIPOC entrepreneurs and business owners.

2. **Redevelopment Dollars** – In addition to the above, there will be longer term needs, including funds to support new businesses and community-led development. Funds are needed to support activities along the development continuum, including community

design, pre-development and development costs. These bonding investments can help support at least some of the costs associated with these.

Our advocacy efforts extend beyond just the state legislature. We will continue engage with the City of Minneapolis and the City of St. Paul, especially to help inform how best to utilize and deploy these funds.

As an organization that works with small businesses and believes strongly in the power of ownership, MCCD, our members and partners will continue to stand alongside our business communities in Minneapolis and St. Paul in rebuilding. We remain committed to using our CDFI and public policy platforms to advocate for resources, informed by the communities most impacted, that will restore these vital commercial districts.

Thank you and we look forward to working with you, your staff and the legislature to secure these investments and more during the 2021 legislative session. MCCD and its members would like to make ourselves available best help inform your decisions. Please reach out to Kari Johnson, Senior Policy Advisor at MCCD, at 612-843-3276 or kjohnson@mccdmn.org, should you need any further information.

Sincerely,

Elena Gaarder
President/CEO, MCCD
3137 Chicago Avenue South
Minneapolis, MN 55407

cc: DEED Commissioner, Steve Grove